

Sunset Public Hearing Questions for  
**Tennessee Interagency Cash Flow Committee**  
Created by Section 9-4-610, *Tennessee Code Annotated*  
(Sunset termination June 2013)

- 1. Provide a brief introduction to the committee, including information about its purpose, statutory duties, staff, and administrative attachment.**

The Interagency Cash Flow Committee ("Committee") is administratively attached to the Department of Treasury. Pursuant to Tenn. Code Ann. §9-4-610(a), the purpose of the Committee is to establish, compile and maintain "...an eighteen-month forward rolling cash flow projection that projects on a monthly basis all material sources and all material uses of pooled investment fund cash projected to be received and expended by the state." The Committee's statutory duties are contained in Tenn. Code Ann. §9-4-610(d) which are to determine the following: the materiality of all items of sources and uses to be furnished by state entities; the materiality of those items to be included in the cash flow projection; the format of the cash flow projection; the categories of sources and uses to be included in such projection and any notes or explanatory statements to be included in such projection. The statute also requires that the cash flow projection be posted to the Treasury Department web site beginning in January, 2012. The Treasury staff for the Committee consists of Tim McClure, Assistant CIO / Director of Cash Management, and Josh Stites, Staff Assistant to the Treasurer.

- 2. Provide a list of current members of the committee and describe how membership complies with Section 9-4-610, *Tennessee Code Annotated*. Who appoints members? Are there any vacancies on the committee? If so, what steps have been taken to fill the vacancies?**

Tim McClure, Director of Cash Management  
Josh Stites, Staff Assistant to the Treasurer  
Mary-Margaret Collier, Director of State and Local Finance  
Jerry Durham, Legislative Audit Manager  
Philip Mize, Chief Financial Officer  
Mike Corricelli, Director of Accounts

Appointed by State Treasurer  
Appointed by State Treasurer  
Appointed by State Comptroller  
Appointed by State Comptroller  
Appointed by Revenue Commissioner  
Appointed by F&A Commissioner

Tenn. Code Ann. §9-4-610(b) provides that the Committee shall consist of six (6) members who shall be appointed as follows: two (2) members of the Treasury Department staff designated by the State Treasurer; two (2) members of the Comptroller of the Treasury staff designated by the Comptroller; one (1) member of the Department of Finance and Administration staff designated by the Commissioner of Finance and Administration; and one (1) member of the Department of Revenue staff designated by the Commissioner of Revenue. The State Treasurer shall designate the chair from among the membership of the Committee and all of the members shall serve at the pleasure of the designating authority. There are no vacancies on the Committee.

- 3. Does the committee's membership include a female member? A member of a racial minority? A member who is 60 years of age or older?**

The Committee includes a female member, does not include a member of a racial minority, and does not include a member 60 years of age or older.

- 4. How many other states have similar committees?**

To the best of the Department's knowledge, there are no other states that have similar committees.

- 5. How many times did the committee meet in fiscal year 2012, and how many members were present at each meeting?**

The Committee met ten (10) times during fiscal year 2012. Below are the dates and the number of members present:

12/15/11	6 members present
12/27/11	5 members present
01/13/12	5 members present
03/08/12	4 members present
03/15/12	5 members present
03/27/12	4 members present
04/03/12	4 members present
04/10/12	3 members present
04/11/12	4 members present
04/25/12	4 members present

- 6. What per diem or travel reimbursement do members receive? How much was paid to committee members during fiscal year 2012?**

Because all of the Committee members are State employees, they do not receive a per diem and should there be any travel expenses associated with their work on the Committee, those expenses would be reimbursed in accordance with the "State Comprehensive Travel Regulations".

- 7. Is the committee subject to Sunshine law requirements (Section 8-44-101 et seq.) for public notice of meetings, prompt and full recording of minutes, and public access to minutes? If so, what procedures does the committee have for informing the public of its meetings and making its minutes available to the public?**

The Committee is subject to Sunshine law requirements. The Committee will inform the public of its meetings by posting a public notice at the Capitol, Legislative Plaza and the ground floor of the Andrew Jackson Building. The Treasury Department is in the process of posting all of its public notices on the TN.gov public participation

calendar. The Committee is also in the process of having its minutes posted on the Treasury Department website.

**8. What were the committee's revenues (by source) and expenditures (by object) for fiscal year 2012?**

The Committee did not have any revenues or expenditures for FY 2012.

**9. Please detail the committee's activities in carrying out each of the duties assigned to it in Section 9-4-610.**

The Committee had many educational and information-gathering meetings with the fiscal officers from other State agencies and is still in the process of obtaining information from these agencies. The Committee prepared a draft cash flow projection based upon the limited information supplied.

**10. Is the State Treasurer posting monthly on the Treasury Department's public web site "the latest version of the cash flow projection and any notes or explanatory statements accompanying such projection" as required by Section 9-4-610(f), *Tennessee Code Annotated*?**

No, the cash flow projection is not being posted to the website. Since its inception, the Committee has continuously and diligently pursued the requirement that a forward cash flow projection be produced and posted. The committee still needs cash flow information from various agencies to develop a complete and thorough cash flow projection to be posted on the Treasury Department's website.

**11. Describe any items related to the committee that require legislative attention and your proposed legislative changes.**

There are no legislative initiatives at this time.

**12. Should the committee be continued? To what extent and in what ways would the absence of the committee affect the public health, safety, or welfare?**

Yes, the state Treasurer believes the Committee should be continued. Cash flow projections have been generated for many years based upon historical data. However, the ability to produce a current, actual forward cash flow projection utilizing data from the various agencies and departments across the State remains critical. The severe fluctuations in state revenues experienced in the period beginning in 2008, and the possibility of significant fluctuations in federal revenues due to federal sequestration or other reductions in the future highlight the importance of this task to state government and Tennesseans. In the event of such reductions with the result that cash balances sink to critical levels, advance projection of the event as well as the projected time frame could prove invaluable to State executives.